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## **COUNTY OF SAN BERNARDINO**

The County of San Bernardino's 2007-08 Final Budget covers the period from July 1, 2007 – June 30, 2008. The budget consisting of the general fund, restricted financing funds, capital project funds, special revenue funds, and enterprise funds has a total appropriation of \$3.5 billion. Each department is responsible for operating within their budget and has the authority to spend up to the approved budget amount which was adopted on June 26, 2007.

When developing their individual budgets, each department considers the following mission, vision, and value statements of the County of San Bernardino:

### **Mission Statement**

The mission of the government of the County of San Bernardino is to satisfy its customers by providing service that promotes the **health, safety, well-being, and quality of life** of its residents according to the County Charter, general laws, and the will of the people it serves.

### **Vision Statement**

Our vision is to create a safe, clean, and healthy environment that appeals to families and individuals, and attracts the best in business and industry. We will create, support, and enhance vibrant communities that emphasize beauty, culture, art, recreation, education, and a sense of history.

### **VALUES Statement**

To achieve our Vision, we dedicate ourselves to these values:

- **Valuing** our workforce by providing recognition, training and education, opportunities for customer service and career development, a safe and healthy work environment and fair compensation.
- **Appreciation** and promotion of the diverse cultures that comprise our workforce and the communities we serve.
- **Leadership** by coordinating regional planning through collaboration with local communities and businesses.
- **Unquestioned integrity** that embraces a culture of honor and trustworthiness.
- **Excellence** in the development of efficient and cost-effective strategies to improve customer service in an atmosphere that allows and encourages new ideas.
- **Service** of the highest quality to our customers delivered with dignity and respect.

The County of San Bernardino's annual budget process starts with the development of the Business Plan document. The Business Plan document is the instrument used by the County to tie departmental budgets to departmental goals, objectives, and performance measures. This final budget book is the end result of the annual budget process. While this final budget book includes departmental strategic goals and performance measures, which demonstrate how department's meet their overall departmental mission as well as the global mission of the County, it does not list the departmental objectives. Therefore, the following two pages provide a high-level overview of County departments. For those departments offering primary services, a single goal and objective has been listed that best highlights the County's global mission statement.



## **COUNTYWIDE SERVICES**

The services provided by the County are arranged into categories in accordance with the County Mission Statement. Therefore, the primary categories of service for the county are health, safety, well-being, and quality of life. The categories of support and fiscal services are necessary to supplement the primary services.

### **PRIMARY CATEGORIES OF SERVICE**

#### **Health Services**

- Arrowhead Regional Medical Center
- Behavioral Health
- Public Health

#### **Safety Services**

- County Fire
- District Attorney
- Law and Justice Group Administration
- Probation
- Public Defender
- Sheriff

#### **Well-Being Services**

- Aging and Adult Services/Public Guardian
- Agriculture/Weights and Measures
- Airports
- Child Support Services
- Community Development and Housing
- Economic Development
- Human Services Administration
  - Transitional Assistance
  - Children's Services
- Land Use Services
- Preschool Services
- Public Works
- Redevelopment Agency
- Registrar of Voters
- Veterans Affairs
- Workforce Development

#### **Quality of Life Services**

- County Library
- County Museum
- Regional Parks

### **SUPPLEMENTAL CATEGORIES OF SERVICE**

#### **Support Services**

- Architecture and Engineering
- Capital Improvement Program
- Clerk of the Board
- County Administrative Office
- County Counsel
- Facilities Management
- Fleet Management
- Human Resources
- Information Services
- Purchasing
- Real Estate Services
- Risk Management

#### **Fiscal Services**

- Assessor
- Auditor/Controller-Recorder
- Treasurer-Tax Collector/Public Administrator



SAN BERNARDINO COUNTY GOALS AND OBJECTIVES		
SERVICES	GOALS	OBJECTIVES
<b>HEALTH:</b>		
Arrowhead Regional Medical Center	Increase outpatient and emergency room visits.	Continue implementation of outpatient visit redesign program in primary and specialty clinics.
Behavioral Health	Increase access to behavioral health services for individuals that are unserved or who are receiving a limited level of services.	Continue to increase the development of community-based behavioral health care and treatment programs that serve as options to institutionalization.
Public Health	Prevent disease and disability, and promote healthy lifestyles.	Improve the health of children by increasing the percentage of children who are up-to-date on required childhood vaccinations.
<b>SAFETY:</b>		
County Fire	Enhance service delivery in response to projected county population growth within areas served by the County Fire Department.	Identify and measure deficiencies in the current delivery system; and further identify facility, staffing, infrastructure, and financing needs to meet current and projected service delivery standards and goals.
District Attorney	Promote public safety by punishing criminal conduct.	Continue to promptly, effectively, and ethically prosecute criminal offenses.
Law and Justice Group Administration	Reduce the negative effects of gang-related crimes on the citizens of the county.	Implement the Strategic Plan on Gangs to reduce gang activity.
Probation	Provide proven treatment options for probationers according to their risk level and criminogenic factors.	Increase the number of offenders in evidence based treatment programs.
Public Defender	Reduce backlog of old cases.	Increase early resolution of cases, thus minimizing custody time (and its attendant costs to the client and to the county).
Sheriff	Enhance response capabilities to disasters and other emergencies.	Effectively communicate with multiple agencies during critical incidents.
<b>WELL-BEING:</b>		
Aging & Adult Services/Public Guardian	Ensure the safety of at-risk adults and the elderly to improve or maintain quality of life.	Respond to emergency Adult Protective Services (APS) referrals within state mandated timelines.
Agriculture/Weights and Measures	Continue to protect the public's health, agriculture and environment by preventing proscribed foreign pest infestations and the misuse of pesticides, in light of increases in county growth.	Inspect all shipments of plant material for compliance with quarantines and freedom from proscribed pests that arrive in the county by common carriers.
Airports	Improve coordination and management of Airports Capital Improvement Program.	Work with the Architecture and Engineering Department to reduce the average length of time required to complete Airport capital improvement program projects.
Child Support Services	Improve organizational performance.	Improve performance by implementing new processes and modifying existing processes.
Community Development and Housing	Communicate useful and timely information to other agencies and to the general public to inform them about grant and loan resources available to meet community and housing needs.	Advertise the annual Community Development Block Grant (CDBG), HOME, and Emergency Shelter Grant Programs, and request CDBG applications.
Economic Development	Brand the county as an ethnically, culturally, socially, and economically diverse region that provides competitive advantages with top level customer service.	Coordinate and market county services for businesses.
Human Services Administration:		
<i>Transitional Assistance</i>	Increase public awareness of the Food Stamp Program.	Increase the total number of households participating in the Food Stamp Program, through increased outreach efforts.
<i>Children's Services</i>	Increase the number of adoptions.	Increase the number of home studies completed to expedite adoptive placements.
Land Use Services	For Code Enforcement, increase the number of initial inspections performed within three weeks of receiving a complaint.	Review the division's staff assignments for complaints.
Preschool Services	Achieve school readiness of children enrolled to ensure they are making progress toward positive outcomes.	Teachers will share child assessment information with parents and this input will be used to prepare home and classroom activities responsive to children's individual needs.
Public Works	Maintain the level of safety and maintenance for county maintained roads.	Maintain the average Pavement Condition Index (PCI) for county maintained roads at a "good" or higher PCI category.
Redevelopment Agency	Assist in the development of capital improvements to eliminate and prevent the acceleration of physical blight and encourage the better utilization of real property and new private enterprise investment.	Assist in the development of public facilities and utilities, such as the construction or rehabilitation of fire and sheriff stations, community centers, school facilities, parks, multi-use trails, and utility improvements.
Registrar of Voters	Increase voter participation in the electoral process.	Procure Mobile Voting Unit for use at all San Bernardino County events, free of charge, to promote the electronic voting equipment and to generate interest in the electoral process.
Veterans Affairs	Emphasize higher standards of customer service.	Revise customer service policy to ensure full commitment to our customers which will require participation and support of Veterans Affairs employees.
Workforce Development	Meet or exceed all WIA enrollment and performance standards negotiated with the state for customers in Adult, Dislocated Worker and Youth Services.	Enroll 650 customers in Adult and/or Dislocated Worker services.
<b>QUALITY OF LIFE:</b>		
County Library	Enhance computer and electronic resources for the public.	Increase the purchase of electronic resources.
County Museum	Enhance public awareness of Museum services/programs and increase accessibility to Museum collections.	Identify more objects and artifacts to be exhibited for museum visitors.
Regional Parks	Increase public awareness of the new enhancements and amenities throughout the County Regional Park System and provide excellent customer service to ensure return visitors.	Increase attendance at the regional parks through enhanced marketing efforts.



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## **FINANCIAL PLANNING CALENDAR**

### **Ongoing**

The Board of Supervisors provides ongoing policy direction to the County Administrative Officer.

Departments provide periodic budget to actual estimates to the County Administrative Office.

### **September through December**

**Business Plans** – Department-wide Business Plans are developed and serve as a guideline to lead the County in preparing the budget. The Business Plan is a comprehensive and systematic management tool designed to help each department assess the current environment, anticipate and respond appropriately to changes in the environment, envision the future, increase effectiveness, develop commitment to the department's mission, and achieve consensus on goals and objectives for achieving that mission. The Business Plan supports the annual budget plan by illustrating how a department's budget and available resources can be tied to goals and objectives, and is used to track, monitor, and evaluate departmental progress by establishing timelines and milestones, and comparing projections to actual accomplishments.

**Capital Improvement Plan** – Departments submit annual capital improvement requests for improvements to land or structures that exceed \$5,000. These requests include a project description and justification, financial impact, and funding source. The requests are evaluated and prioritized by the County Administrative Office and presented to the Board of Supervisors for comments and recommendations. In addition, departmental five-year capital improvement plans are updated to re-evaluate priorities based on changing circumstances, staffing levels, and available funding.

**Fee and Internal Service Rate Development** – Departments develop their respective budget unit(s) proposed fee changes and internal service rate adjustments and submit them to the County Administrative Office for review and recommendation to the Board of Supervisors.

### **January through February**

**Five-year Financial Plan** – The County Administrative Office develops a five-year forecast of financial operations for general fund programs, projecting major revenues and expenditures, based on current service levels and expected future changes to those programs or service levels. The analysis includes the identification of trends, significant impacts, and recommendations, which are reported to the Board of Supervisors.

**Business Plan Workshop** – Department Heads, County Administrative staff, and the Board of Supervisors meet to discuss and review the Business Plans. These plans include departmental requests for policy items for which the Board of Supervisors provides input and direction to staff.

**Budget Prep System** – The in-house budget system is updated for changes in the various Memorandums of Understanding between the County and the various employee representation units. Additionally, internal training is conducted for all users of the system and the system is opened up for departmental input into preparation of the budget submittal.

**Internal Service Rates** – The rates charged by departments for services provided to other departments are brought before the Board of Supervisors for approval. In addition to rates for internal service funds, rates for services provided by general fund departments, such as Facilities Management, Human Resources, and Architecture and Engineering are also approved.

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### **March and April**

**Fee Hearing** – The Board of Supervisors conducts a public hearing on the Proposed Fee changes. Fee changes are included in the Proposed Budget submittals to the Board of Supervisors.

**Financial Plan** – The upcoming budget year financing plan is developed based on revenue projections and estimates for cost increases of on-going costs. This plan includes the allocation of general fund financing (local cost) and provides estimates from remaining funding available to meet unmet needs of the County.

**Preparation of Proposed Budget** – Departments develop their respective proposed budgets and submit them to the County Administrative Office for review and recommendation to the Board of Supervisors. General fund departments must budget within their respective local cost allocations given to them based on the financing plan.

### **May and June**

**Submission of Proposed Budget** – The Proposed Budget Book is finalized and presented to the Board of Supervisors. The County Administrative Office publishes notices and schedules public hearings to discuss the proposed budget.

**Budget Hearing** – The Board of Supervisors conducts public hearing on the Proposed Budget. At this time, the Board may modify the Proposed Budget.

**Adoption of Final Budget** – All Board approved changes are incorporated into the Final Budget.

### Calendar for the 2007-08 Budget

September 18, 2006	Business Plan Instructions to Departments
October 18, 2006	Capital Improvement Call Letter to Departments
November 3, 2006	Departments Submit Business Plans to Budget Office
November 28, 2006	Fee Instructions to Departments
November 28, 2006	Departments Submit Capital Improvement Requests to Budget Office
December 15, 2006	Departments Submit Fee Workbooks to the Budget Office
February 12, 13, and April 3, 2007	2007-08 Business Plan Workshops
February 13, 2007	Budget Preparation System opened for Departmental Input
February 21, 2007	Budget Preparation System Training
February 27, 2007	Budget Instructions to Departments
February 27 and March 13, 2007	2007-08 Internal Service Rates Approved
March 13, 2007	Fee Hearing
March 13, 2007	Board of Supervisors Approval of Targets/Financial Plan and Strategic Objectives
March 27, 2007	Departments Submit Budget Workbooks to the Budget Office
May 18, 2007	Proposed Budget Delivered to the Board of Supervisors
June 19, 2007	Budget Hearing
June 26, 2007	Adoption of 2007-08 Final Budget
September 2007	Final Budget Book Printed



## Business Plan

This year, the Board of Supervisors received the County's second Business Plan, distributed in January 2007. This plan document is the starting point for San Bernardino County's budget process and it is intended to support the annual budget plan by tying the budget to the department's goals, objectives, and performance measures necessary to meet the overall mission of the department. The Business Plan is used to help track, monitor, and evaluate the progress by establishing timelines and milestones, where each department can monitor their progress and compare their projections to actual accomplishments.

Business Plan Workshops were held February 12, 13, and April 3, 2007. These workshops provided the Board of Supervisors the opportunity to review departmental goals and objectives. Additionally, this was the first occasion for departments to explain how they utilize their allocated resources in terms of meeting projected goals and objectives and what additional resources would be needed for new projects not yet funded. At this time, departments also presented fee adjustments and/or policy items, which included funding requests for those workload and program changes that are not financed within their existing general fund allocations.

## General Fund Budget Process

The County Administrative Office has the responsibility of developing the county financing plan for all general fund departments. This plan begins with reviewing the two restricted financing sources, Prop. 172 and Realignment. Prop. 172 assists in financing the Sheriff, District Attorney, and Probation departments. Realignment assists in financing the general fund departments of Human Services, Behavioral Health, and Public Health for mental health, social services, and health programs. If these financing sources are not sufficient to pay for those departments' costs, then the general fund sources are considered.

The 2007-08 financing plan presented to the Board of Supervisors on March 13, 2007, included a total of \$135.4 million in discretionary revenue available for financing in 2007-08. This revenue is comprised of property taxes, interest on the county investment pool, sales tax, and other taxes. The financing plan initially allocates increases in these discretionary revenues to fund increases in mandatory costs such as previously negotiated salary increases, previous year's Board approved costs, and other mandated costs. The increased costs to maintain current services totaled \$105.7 million. After the mandatory costs are financed, the remaining unallocated discretionary revenue of \$29.7 million is presented to the Board of Supervisors for allocation.

Also on March 13, 2007, the Board of Supervisors held a Fee Hearing. The Fee Hearing is designed to take public testimony related to the fees for the 2007-08 fiscal year. The fee hearing and approval of the fees was completed at this time to allow the fee changes to be incorporated into the proposed budgets and for implementation of the approved fees to correspond with the start of the fiscal year.

The 2007-08 Proposed Budget Hearing was held June 19, 2007. At this time, the County Administrative Office made recommended changes to financing and reserves. Additionally, the county's policy items were also considered.

The Final Budget was formally adopted on June 26, 2007, which included several approved departmental policy items. When the budget was adopted, the Board of Supervisors directed that any final fund balance adjustment in the general fund be made to the appropriation for contingencies. No money can be spent from contingencies without obtaining Board of Supervisors approval.



### Other Funds Budget Process

In addition to the general fund, the County of San Bernardino has restricted financing funds, capital project funds, special revenue funds, enterprise funds, and internal service funds. All of these funds are restricted to the revenue sources they receive. Each department having these types of funds is responsible for developing its budget based on the revenue resources available to them. These resources include projected revenue to be collected in 2007-08 and any revenue not spent and carried forward from prior years (for example, fund balance for special revenue funds). These budgets were also discussed during the Budget Hearing. In addition, when the Board of Supervisors approved the final budget, they also approved the necessary fund balance adjustments to these funds to agree to the Auditor/Controller-Recorder's actual fund balance.

### Amending the Adopted Budget

An operating budget is adopted each fiscal year for all Governmental Funds. Expenditures are controlled at the appropriation unit level within budget units for the County. Any increases in appropriation in a budget unit after adoption of the final budget require an item to be placed on the agenda of the Board of Supervisors and a four-fifths vote is necessary for approval.

Transfers of appropriation within the same budget unit may be approved by the County Administrative Office or the Board of Supervisors depending upon the appropriation unit. Exceptions are noted below:

#### Transfer of Salaries and Benefits Appropriation:

- Transfers out funded with local financing are not allowed.
- Transfers out not funded with local financing requires an item to be placed on the agenda of the Board of Supervisors for approval.
- Transfers in from other available appropriation within the budget unit will be required if budgeted salaries and benefits appropriation is inadequate to meet expenditures.

#### Transfer of Fixed Asset Appropriation:

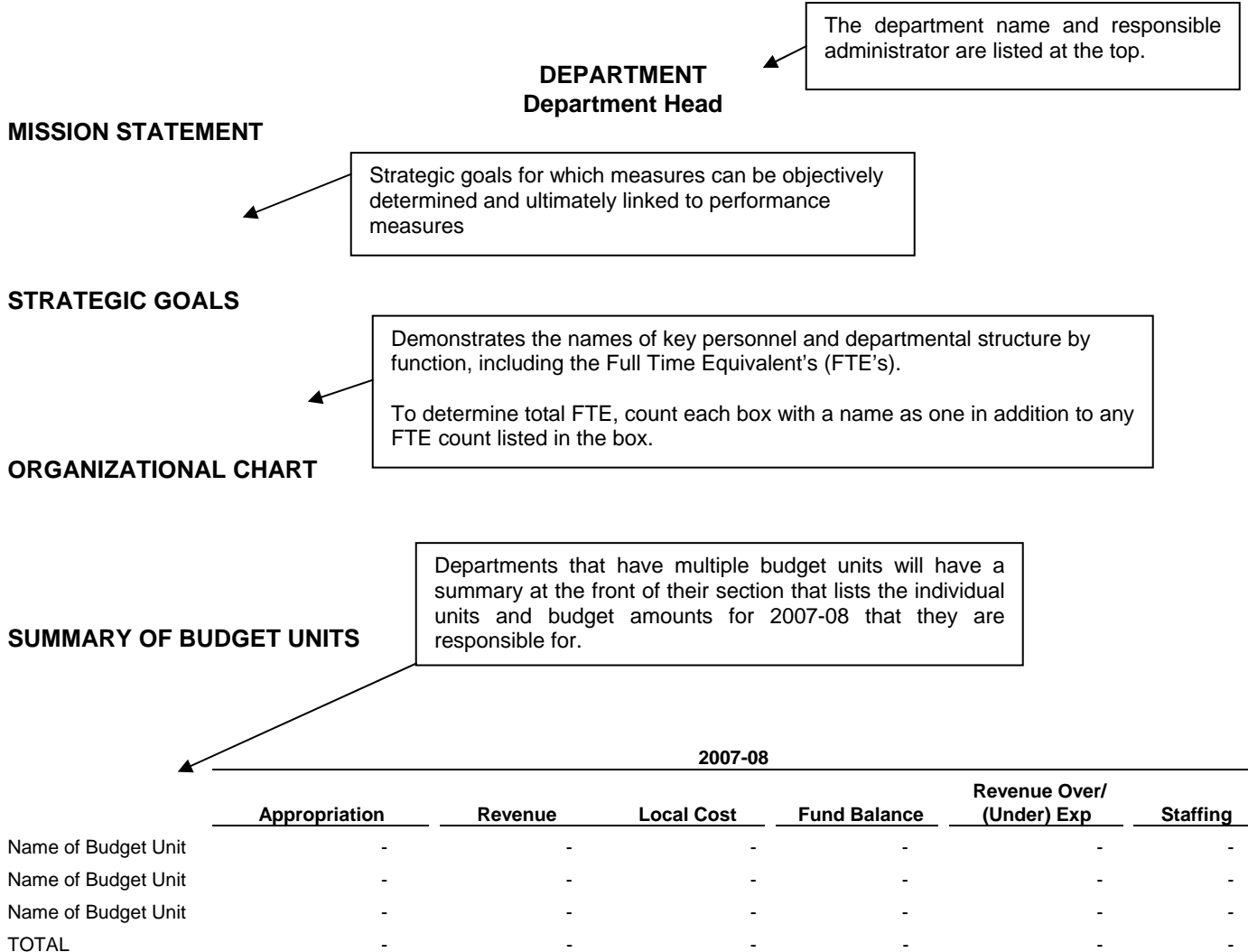
- Transfers out requires an item to be placed on the agenda of the Board of Supervisors for approval.
- Transfers in, less than \$10,000 may be approved by the County Administrative Office.
- Transfers in, greater than \$10,000 requires an item to be placed on the agenda of the Board of Supervisors for approval.





## **BUDGET BOOK FORMAT**

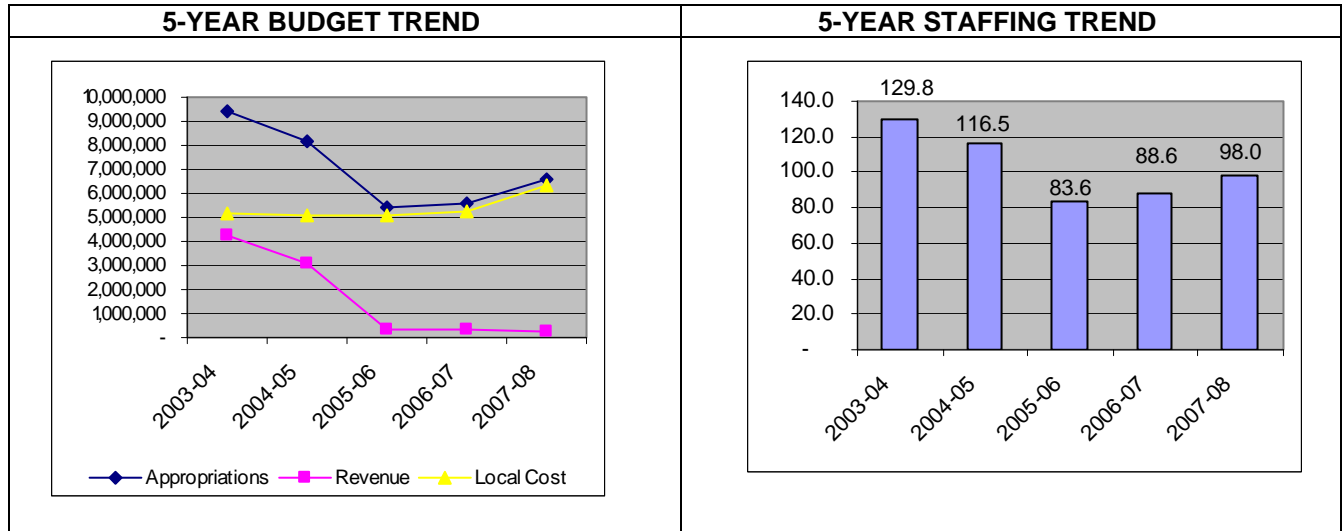
Budget units presented in this book are displayed at a fund/department level. Although some departments incorporate additional organizational levels when developing their budgets, the fund/department level of presentation was selected to provide consistency between all budget units. A sample of the departmental budget format is included in this attachment.



## DESCRIPTION OF MAJOR SERVICES

Description of Major Services provides a narrative describing the function and activity of the budget unit.

## BUDGET HISTORY



These graphs display a visual picture of the department's trends for the current year and prior four years in budgeted local cost or fund balance or revenue over/(under), where applicable, and budgeted staffing.

Performance History provides a historical overview of the budget unit, including actual amounts from 2003-04, 2004-05 and 2005-06, the 2006-07 modified budget and an actual amount for 2006-07.

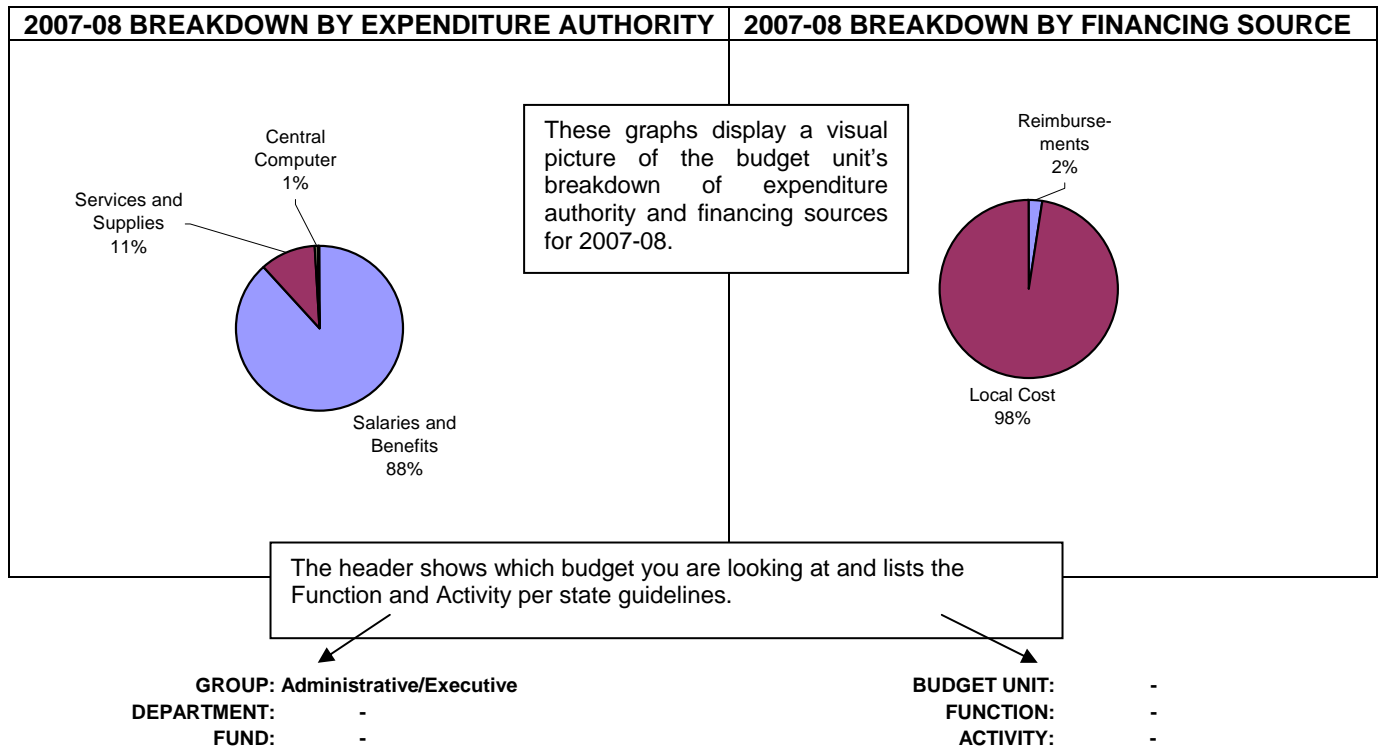
## PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Actual
Appropriation	-	-	-	-	-
Departmental Revenue	-	-	-	-	-
Local Cost	-	-	-	-	-
Budgeted Staffing				-	

For those departments that have significant variances between modified budget and actual in 2006-07, there will be an explanation of why this occurred.



## ANALYSIS OF FINAL BUDGET



	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Actual	2006-07 Final Budget	2007-08 Final Budget	Change From 2006-07 Final Budget
<b><u>Appropriation</u></b>							
Salaries and Benefits	-	-	-	-	-	-	-
Services and Supplies	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-
Total Exp Authority	-	-	-	-	-	-	-
Reimbursements	-	-	-	-	-	-	-
Total Appropriation	-	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	-	-
Total Requirements	-	-	-	-	-	-	-
<b><u>Departmental Revenue</u></b>							
Taxes	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-
Other Financing Sources	-	-	-	-	-	-	-
Total Revenue	-	-	-	-	-	-	-
Operating Transfers In	-	-	-	-	-	-	-
Total Financing Sources	-	-	-	-	-	-	-
Local Cost	-	-	-	-	-	-	-
Budgeted Staffing	-	-	-	-	-	-	-

This section provides a history of actual expenditures incurred by budget line item and the comparison of budget line item from prior year adopted to the current year adopted.

The following narrative section briefly explains the adopted budget by appropriation unit or line item, including significant changes from the prior year.



PERFORMANCE MEASURES			
Description of Performance Measure	2006-07 Projected	2006-07 Actual	2007-08 Projected
Insert Performance Measurement			
Insert Performance Measurement			
Insert Performance Measurement			

This schedule describes the department's performance goals for the 2007-08 budget year.

Performance measures are placed with the budget unit to which they specifically apply. This section may not appear when performance measures are not applicable and/or overall department measures appear elsewhere.

